



MGNREGA And Its Impact On Livelihood Generation And Migration In Odisha

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Abstract

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), enacted in 2005, is the Indian Government's response to the constitutionally manifested right to work and means to promote livelihood security by creating durable assets in India's rural areas. It provides 100 days of guaranteed work to any person who demands the same. This study is based on an empirical study conducted in the district of Koraput (one of the highly tribal concentrated districts of KBK regions in Odisha). This empirical study reveals that tribal beneficiary households have benefitted less in terms of average annual income, expenditure, savings and debt compared to non-tribal beneficiary households despite of their numerical strength.

Keywords: MGNREGA, Income, Tribal Livelihood, Household Debt, Migration, Odisha.

Introduction

India has experienced significant and steady rates of economic growth since the 1990s, with an average yearly growth rate of 7% between 1990–2000; yet, this aggregate economic growth did not translate in better living conditions for those households in the lowest income quintiles and for vulnerable castes (Gupta, 2018). On the contrary, economic growth is considered to be the cause of a further increase in inter-state and intra-state inequalities and chronic poverty, with 33.3% of the rural population considered poor in the 2009–10 period (Ghosh, and Chandrasekhar, 2007; Panagariya, 2014). In a seminal move to address household level

poverty and chronic unemployment issues in rural India, the Government of India introduced the 'National Rural Employment Guarantee Act' (NREGA) in 2005, which was later renamed the 'Mahatma Gandhi National Rural Employment Guarantee Act' (MGNREGA) (Dasgupta 2004). MGNREGA is a nation-wide intervention and guarantees 100 days of work per year, every year, to all the adult female and male members of rural households who are willing to engage in unskilled manual labour at the statutory minimum wage notified by the program (Khera 2011). The objectives of the act are to provide safety nets for vulnerable groups, provide an engine for the agricultural sustainable development, empower the rural poor and promote new ways of doing businesses by providing work for unskilled workers at the wage rate specified by the Central Government. Government interventions such as MGNREGA play a vital role for the welfare of rural India, where it is common for casual and unskilled workers to have limited job security and, as a consequence, negligible bargaining power with the employers to demand better working conditions (Nagaraj, 2014). MGNREGA aims at correcting such inefficient and inequitable market outcomes by providing year-round employment opportunities at a predetermined minimum wage.

MGNREGA and Rural livelihood

Tribal livelihood is continuously undergoing rapid changes with the passage of time be it precolonial, colonial or post-colonial period. The Forest Act of colonial period, Dam and Mining projects of post-colonial period brought a drastic change in the sources of tribal livelihood. Hence Government of India has launched various programmes to promote the tribal livelihood. "MGNREGA is one such program which also play a crucial role for the promotion of the rural livelihood and poverty alleviation." Since the inception of this social security measure, a significant number of studies conducted to explore the impact of MGNREGA on various outcomes. One group of scholars point out MGNREGA has clearly contributed to livelihood generation, reduction in migration, decentralization of power, transparency of political processes, and female empowerment (Drèze & Khera, 2009 ; Khera & Nayak, 2009; Das, 2015; B. C. Imbert & Papp, 2015; Pankaj & Bhattacharya, 2022) On the other hand, critics (Niehaus & Sukhtankar, 2013a) point out and argue that high programme wages lead to leakage and corruption, which can reduce the positive effects of the programmes. Various studies reveals how MGNREGA has also promoted rural livelihood (Azam, 2012; Berg et al., 2012; Bose, 2017; Klonner & Oldiges, 2014; Liu Yanyan and Deininger Klaus, 2010). But these studies are mainly restricted to either some developed states like Maharashtra, Rajasthan and Karnataka or assessed the impact of MGNREGA on the promotion of rural livelihood on beneficiary households in general. The in-

depth impact assessment of MGNREGA on the promotion of livelihood among tribal beneficiary households of Odisha (one of the highly tribal concentrated and backward regions of the country) is missing. Hence, this study makes an attempt to make a comparative analysis of the impact of MGNREGA on the tribal and non-tribal livelihood in tribal Odisha.

Objectives

1. To make a comparative analysis of the impact of MGNREGA on the tribal and non-tribal livelihood
2. To find out the impact of MGNREGA on the migration

Research Methodology

A multi stage sampling was used in this study. In the first stage, Koraput, from the KBK region (one of the most backward tribal concentrated regions of the country and which is also famous for outmigration to other areas) of Odisha has been selected. Koraput district has almost 14 blocks. In the second stage, Dasmantpur block of Koraput the best performer block in Koraput district in terms of the construction of livelihood assets and the generation of employment during the financial year 2020-21 was chosen. Finally, to better understand the impact of the MGNREGA in a gram panchayat composed of multi caste and tribe, Girliguma gram panchayat of Dasmantpur block was selected. After the verification of the available list of MGNREGA beneficiary households, the researcher found 287 beneficiary households whose names appear on the list and are aware about programme and actually worked under the programme and got at least 20-30 days of guaranteed employment in the financial year 2020-21 in Girliguma panchayat. Out of the final list of beneficiary households, finally, 103 beneficiaries' households from Girliguma gram panchayat were randomly chosen as respondents in proportion to their caste, tribe, and gender.

The major tools for data collection during the study were;

- a. Informal Interview:
- b. Interview Schedule

4.1 Demographic Profile of the Respondents

TABLE 1: Communities of the Respondents

Communities	Percent
ST	52.8
SC	12.3
OBC	18.9
GENERAL	16

Note. The above table represents demographic profile of respondents

Source: Field Survey

Table 2: Gender of the Respondents

Male	50.9
Female	49.1

Note. The above table represents Gender wise distribution of the respondents

Source: Field Survey

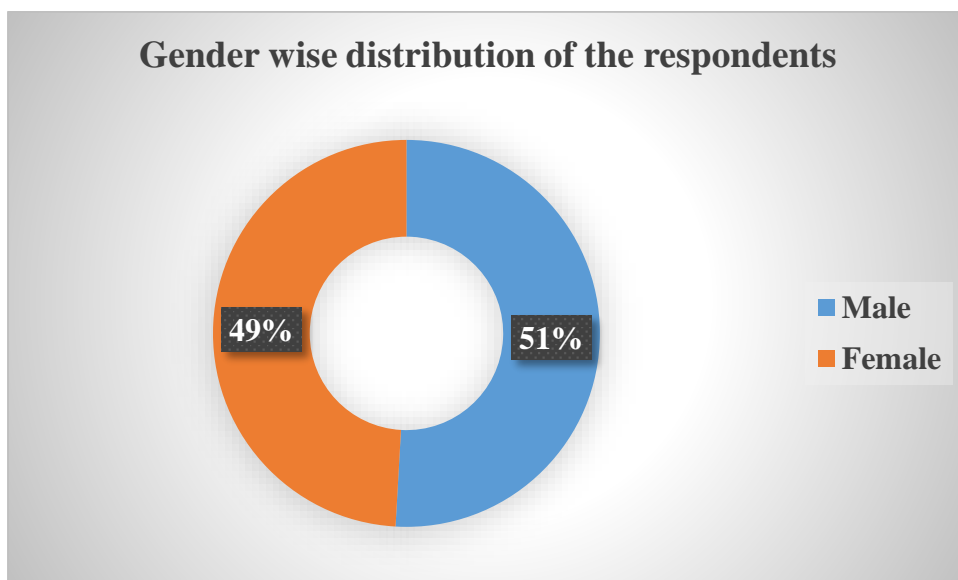


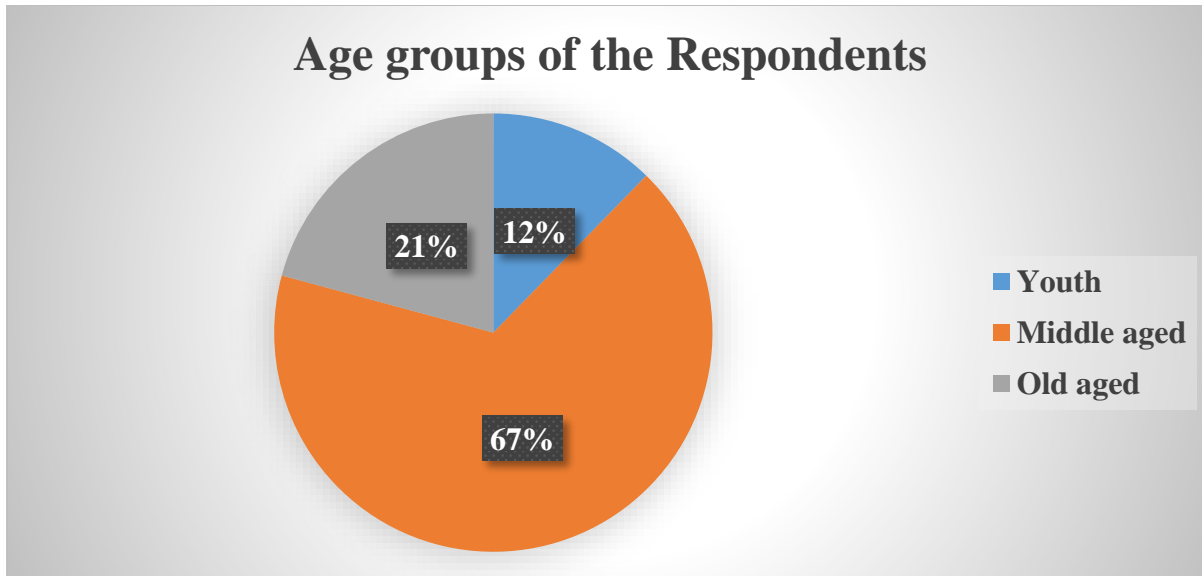
Figure 1. The figure represents gender wise distribution of the respondents

Source: Field Survey

Table 3: Age groups of the Respondents

Youth	12.3
Middle aged	66.9
Old aged	20.8

Source: Field Survey

**Figure 2.** The figure represents age groups of the respondents

Source: Field Survey

Table 4: Occupational structures of the Respondents

Occupations	Percent
Agricultural Labour(paid)	12.3
Wage Labour	16
Cultivator cum Agriculture labourer	48.1
Share cropper	8.5
Petty Business	5.7
Migrant Labour	2.8
Other	6.6

Source: Field Survey

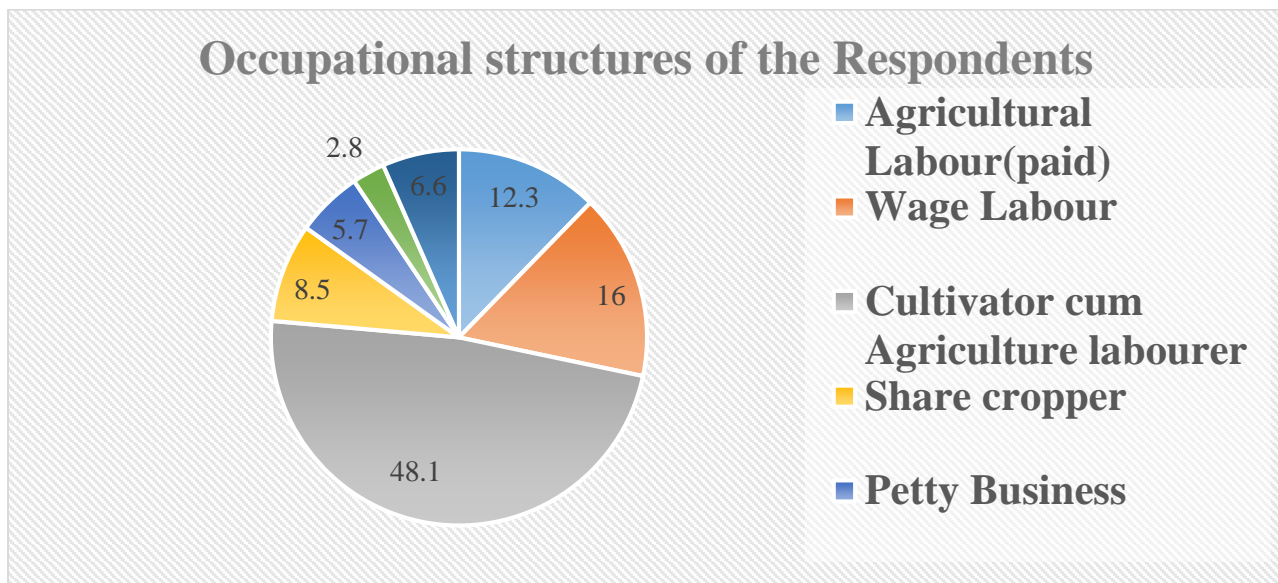


Figure 3. The figure represents occupational structures of the Respondents

Source: Field Survey

Table 5: Average annual income of the respondents (Rs/ Annum)

Tribal	46604
Non-Tribal	73211.3

Source: Field Survey

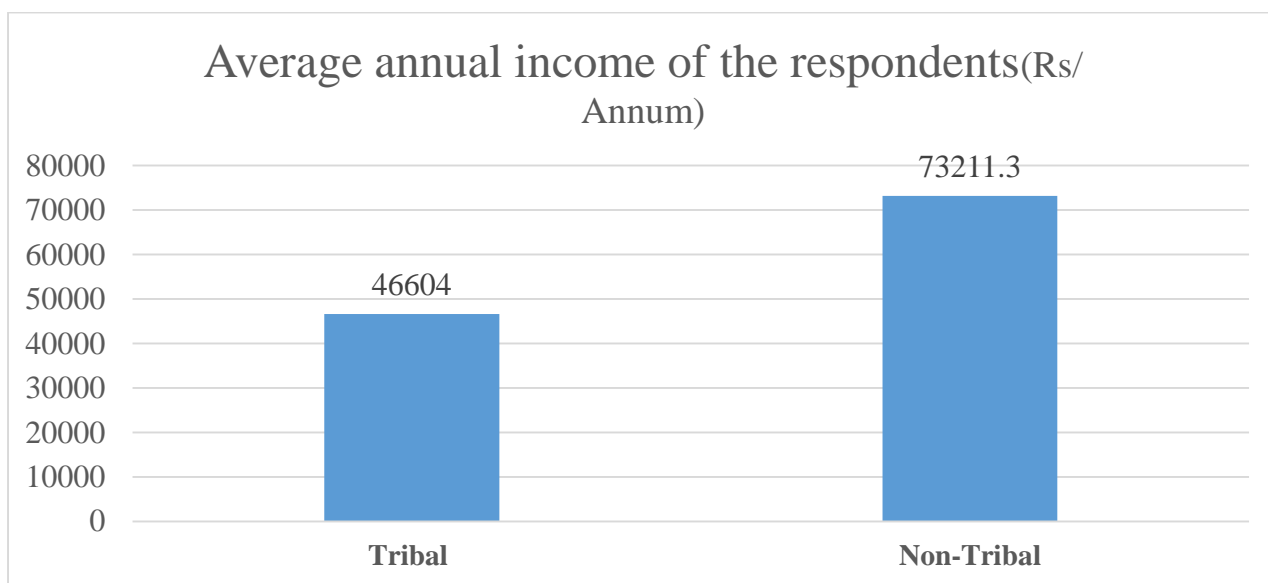


Figure 4. The figure represents occupational structures of the Respondents

Source: Field Survey

Table 6: Performance of MGNREGA in Giriliguma in Financial Year 2020-21

Job card issued to rural households	Total Households worked	100 days of employment provided to number of households
2,168	1,265(58.3)	425(34)

Source: MIS reports of MGNREGA, MoRD, GoI, 2020–21, <https://nrega.nic.in/netnrega/home>

Table 7: Person- days Distribution (in %)

SCs	STs	Other	Women
23.3	58.8	17.9	44.93

Source: MIS reports of MGNREGA, MoRD, GoI, 2020–21, <https://nrega.nic.in/netnrega/home>

Result and Discussion

Impact of MGNREGA on the tribal and non-tribal livelihood

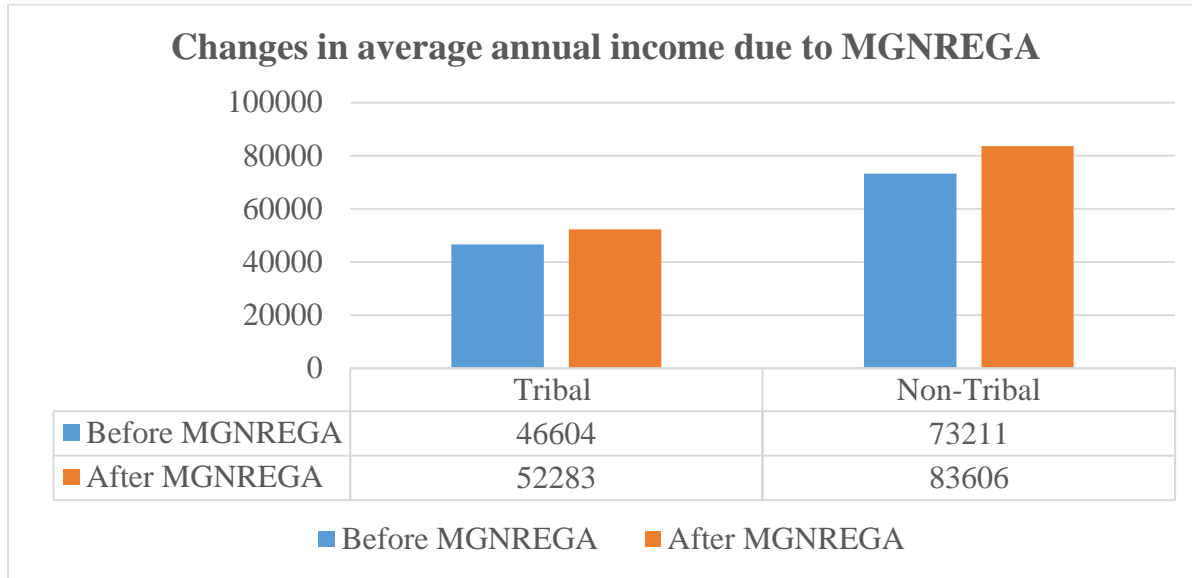


Figure 5. The figure represents changes in average annual income

Table 7: Growth in average annual income (in %)

Particulars	Before working in MGNREGA	After working MGNREGA
Tribal	-	12.2
Non-Tribal	-	14.2

Source: Field Survey

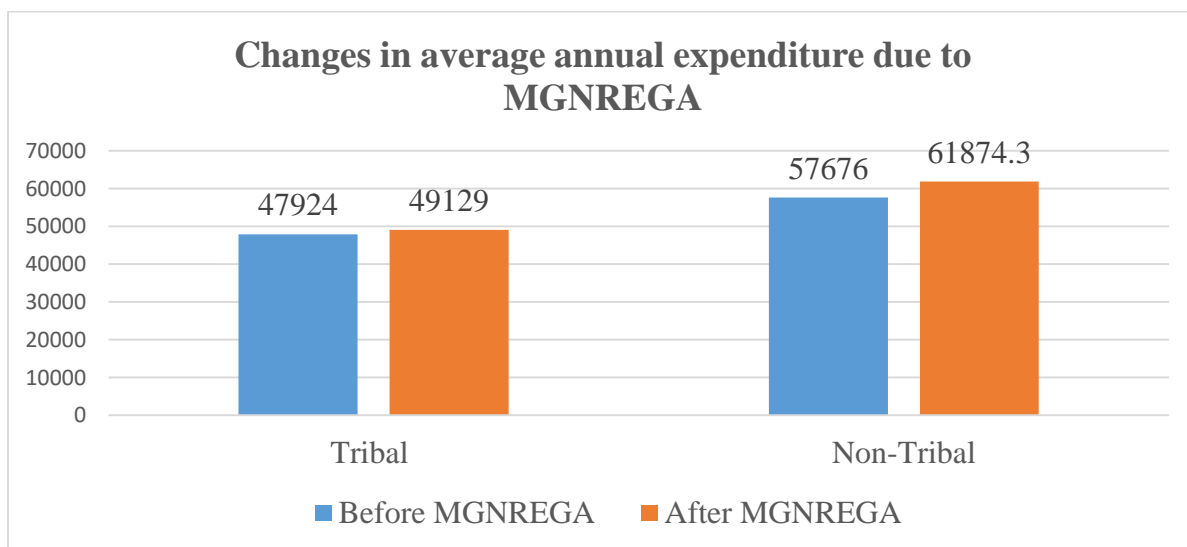


Figure 6. The figure represents changes in average annual expenditure

Table 8: Growth in average annual expenditure (in %)

Particulars	Before working in MGNREGA	After working MGNREGA
Tribal		2.5
Non-Tribal		7.3

Source: Field Survey

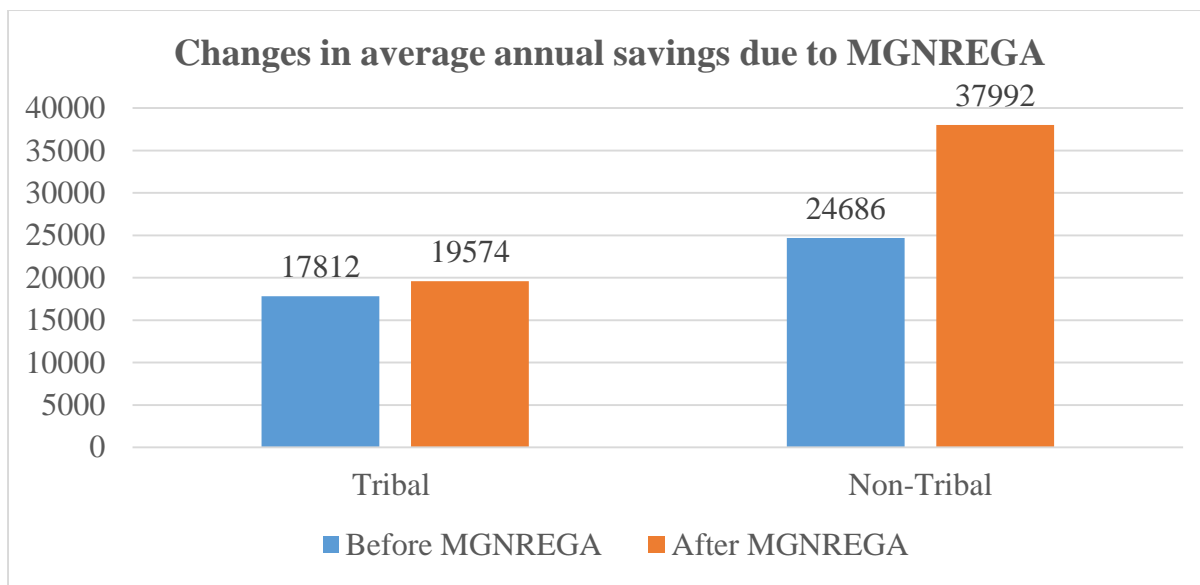


Figure 7. The figure represents changes in average annual savings

Table 9: Growth in average annual savings (in %)

Particulars	Before working in MGNREGA	After working MGNREGA
Tribal		9.9
Non-Tribal		53.9

Source: Field Survey

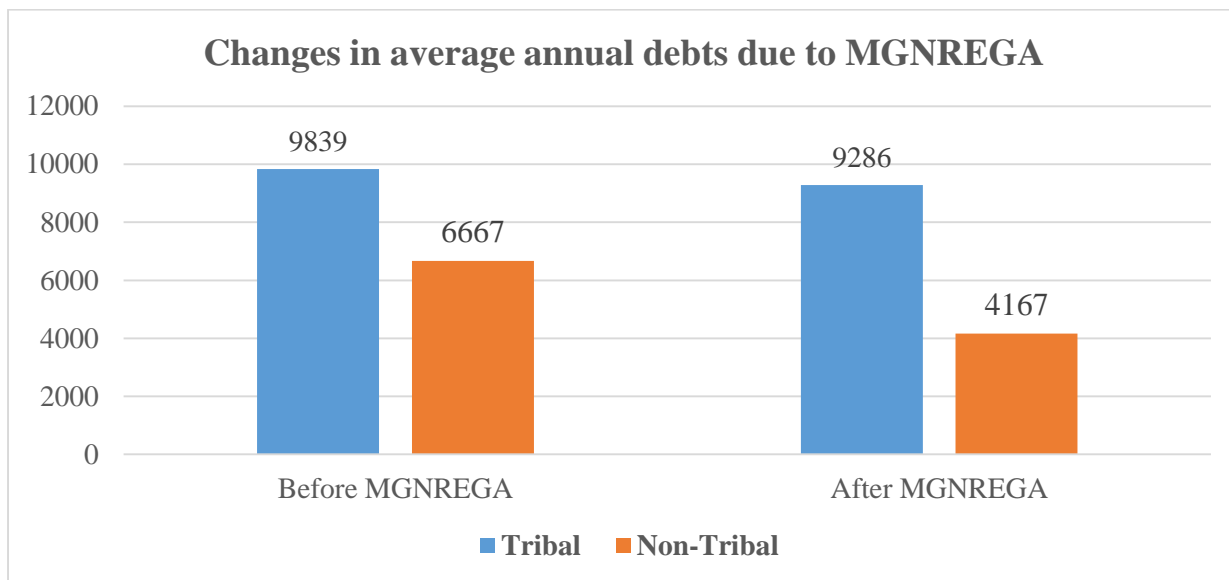


Figure 8. Changes in average annual debts

Table 10: Changes in average annual debts (in %)

Particulars	Before working in MGNREGA	After working MGNREGA
Tribal	-	5.6
Non-Tribal	-	37.5

Source: Field Survey

MGNREGA has promoted the livelihood of both tribal and non-tribal beneficiary households in Giriliguma panchayat in terms of average annual income, enhanced the level of expenditure and helped to save certain money, and helped to reduce dependency on debt. In terms of average annual income the tribal beneficiary households have seen 12.2 percent growth soon after working under MGNREGA whereas the non-tribal beneficiary households have seen 14.2 percent growth.

MGNREGA has brought a significant change in the expenditure pattern, the tribal beneficiary households have witnessed 2.5 percent increase in average annual expenditure while the non-tribal beneficiary households have seen 7.3 percent growth. Due to MGNREGA, the tribal and non-tribal beneficiary households of Giriliguma panchayat have seen 9.9 and 53.9 percent growth respectively. MGNREGA has also made a positive impact in reducing the average annual debt burden of both the tribal and non-tribal beneficiary households of Giriliguma panchayat by 5.6 and 53.6 percent respectively.

Table 11: Change in the migration pattern due to MGNREGA (in %)

Particulars	Before working in MGNREGA	After working MGNREGA	Reduction in migration
Tribal	56.7	30.0	26.7
Non-Tribal	43.3	33.3	10.0

Source: Field Survey

An interesting fact was observed in Giriliguma panchayat, MGNREGA has significantly reduced the migration among the tribal beneficiary households compared to non-tribal beneficiary households. Almost 27 percent of tribal beneficiary households have stopped migrating to distant places in search of work after working under MGNREGA. On the hand, about 10 percent of non-tribal beneficiary households have stopped migrating.

Summary and Conclusion:

The major findings of this study is that MGNREGA has become a new lifeline in rural areas and this is even noticed in Giriliguma panchayat due to its income generating capacity. MGNREGA has also made an impact in this highly tribal concentrated and backward regions of the country.

However, tribal beneficiary households in this region have yet to reap the full benefits of MGNREGA. Though, tribal beneficiary households have seen a positive growth terms of average annual income, expenditure, savings and reduction in the debt burden, but still they are far behind compared to the non-tribal beneficiary households. The study also finds that MGNREGA has significantly helped in reducing the incidence of migration among the tribal beneficiary households.

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